## Legislative Analysis



## ALLOW INCLUSION OF CERTAIN TOPICS DURING COLLECTIVE BARGAINING UNDER PERA

House Bill 4356 as enacted Public Act 143 of 2023

Sponsor: Rep. Brenda Carter

House Bill 4357 as enacted Public Act 143 of 2023 Sponsor: Rep. Rachel Hood

House Committee: Labor Senate Committee: Labor Complete to 10-26-23 Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Analysis available at http://www.legislature.mi.gov

## **SUMMARY:**

House Bill 4356 amends 1947 PA 336, the public employment relations act (PERA), to allow the inclusion of certain topics during collective bargaining for public school employees. House Bill 4357 makes complementary updates to the State School Aid Act.

<u>House Bill 4356</u> amends PERA to remove restrictions on collective bargaining negotiations between schools and employees for noninstructional support service contracts.

Under the bill, the following subjects, which previously could not be included in negotiations when a bargaining unit that provides noninstructional support services can bid on a contract on an equal basis with other bidders, are no longer prohibited topics:

- The decision to contract with a third party for the services.
- The procedures for obtaining a contract.
- The identity of the third party.
- The impact of the contract for the services on individual employees or on the bargaining unit.

MCL 423.215

<u>House Bill 4357</u> amends the State School Aid Act to remove previous prohibitions on collective bargaining agreements entered into by a school district or intermediate school district that include automatic payroll deductions for union dues<sup>1</sup> or methods of compensation that do not comply with section 1250 of the Revised School Code.<sup>2</sup>

MCL 388.1764h

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<sup>&</sup>lt;sup>1</sup> This change was made to PERA by 2023 PA 114.

<sup>&</sup>lt;sup>2</sup> Section 1250 pertains to performance-based methods of compensation for teachers and school administrators.

## **FISCAL IMPACT:**

The bills would have an indeterminate, but likely minimal, fiscal impact on local school districts, intermediate school districts (ISDs), and public school academies (PSAs). Any fiscal impact for an individual district, ISD, or PSA would be directly related to the assumed costs or benefits of any new collective bargaining agreement under the provisions of the bills compared to the prior or alternative status of any collective bargaining agreement that prohibited certain subjects from being collectively bargained.

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<sup>■</sup> This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.